

# House File 829 - Reprinted

HOUSE FILE \_\_\_\_\_  
BY COMMITTEE ON ECONOMIC  
GROWTH

(SUCCESSOR TO HSB 266)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act relating to the development and commercialization of  
2 businesses in the targeted industry areas of advanced  
3 manufacturing, bioscience, and information technology and  
4 including a contingent effective date provision.  
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
6 TLSB 2726HV 82  
7 tm/gg/14

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1 1 Section 1. NEW SECTION. 15.411 TARGETED INDUSTRIES  
1 2 DEVELOPMENT FUND == FINANCIAL ASSISTANCE.  
1 3 1. A targeted industries development fund is created in  
1 4 the state treasury under the control of the department and  
1 5 consisting of any moneys appropriated by the general assembly  
1 6 and any other moneys available to and obtained or accepted by  
1 7 the department for placement in the fund. The fund shall be  
1 8 used to provide financial assistance under this section.  
1 9 Payments of interest, repayments of moneys loaned pursuant to  
1 10 this section, and recaptures of financial assistance shall be  
1 11 deposited in the fund. Moneys in the fund are not subject to  
1 12 section 8.33. Notwithstanding section 12C.7, interest or  
1 13 earnings on moneys in the fund shall be credited to the fund.  
1 14 2. The department shall provide financial assistance to  
1 15 encourage research and development activities that have a  
1 16 clear potential to lead to commercially viable products or  
1 17 services within a reasonable period of time in the industries  
1 18 of advanced manufacturing, bioscience, and information  
1 19 technology. Financial assistance shall be awarded on a per  
1 20 project basis. A recipient shall not receive financial  
1 21 assistance for more than one hundred fifty thousand dollars.  
1 22 In order to receive financial assistance, an applicant must  
1 23 demonstrate the ability to secure one dollar of nonstate  
1 24 moneys for every two dollars received from the fund.  
1 25 Financial assistance shall be provided from the targeted  
1 26 industries development fund created in subsection 1.  
1 27 3. The department shall provide financial assistance for  
1 28 up to seven initiatives designed to encourage joint research  
1 29 and development work between insurance or financial services  
1 30 companies in the state and information technology and software  
1 31 companies in the state. Financial assistance shall not exceed  
1 32 one hundred thousand dollars per project. In order to receive  
1 33 financial assistance, an applicant must demonstrate the  
1 34 ability to secure two dollars of nonstate moneys for every one  
1 35 dollar received from the fund. Financial assistance shall be  
2 1 awarded to projects that will result in technologies being  
2 2 developed as commercial products for sale by Iowa companies  
2 3 rather than as custom applications for proprietary use by a  
2 4 participating insurance or financial services company.  
2 5 Financial assistance shall be provided from the targeted  
2 6 industries development fund created in subsection 1.  
2 7 4. The department shall provide financial assistance to  
2 8 information technology businesses for purposes of upgrading  
2 9 existing employees skills. Financial assistance shall be  
2 10 provided from the targeted industries development fund created  
2 11 in subsection 1. In order to receive financial assistance, an  
2 12 applicant must demonstrate the ability to secure two dollars  
2 13 of nonstate moneys for every one dollar received from the  
2 14 fund.  
2 15 Sec. 2. NEW SECTION. 15.412 LEAN MANUFACTURING

2 16 INSTITUTE.

2 17 The department of economic development shall establish a  
2 18 lean manufacturing institute for purposes of providing  
2 19 executive level, in-depth training assistance to manufacturing  
2 20 entities in the state. The department of economic development  
2 21 may seek nonstate moneys for purposes of supporting the lean  
2 22 manufacturing institute.

2 23 Sec. 3. NEW SECTION. 15.413 STATEWIDE COMMERCIALIZATION  
2 24 DEVELOPMENT SERVICES ENTITY.

2 25 Through a request for proposals process, the department  
2 26 shall contract with a provider for services related to  
2 27 statewide commercialization development in the industries of  
2 28 advanced manufacturing, bioscience, and information  
2 29 technology. The services provided by the provider shall  
2 30 include all of the following:

2 31 1. Assistance provided directly to businesses by  
2 32 experienced serial entrepreneurs for all of the following  
2 33 activities:

2 34 a. Business plan development.

2 35 b. Due diligence.

3 1 c. Market assessments.

3 2 d. Technology assessments.

3 3 e. Other planning activities.

3 4 2. Operation and coordination of various available  
3 5 competitive seed and prototype development funds.

3 6 3. Connecting businesses to private angel investors and  
3 7 the venture capital community.

3 8 4. Assistance in obtaining access to an experienced pool  
3 9 of managers and operations talent that can staff, mentor, or  
3 10 advise start-up enterprises.

3 11 5. Support and advice for accessing sources of early stage  
3 12 financing.

3 13 Sec. 4. NEW SECTION. 15.414 TARGETED INDUSTRIES

3 14 INTERNSHIP PROGRAM == FINANCIAL ASSISTANCE.

3 15 The department shall establish and administer a targeted  
3 16 industries internship program. A community college, private  
3 17 college, or an institution of higher learning under the  
3 18 control of the state board of regents and an employer may  
3 19 enter into an agreement for purposes of providing internship  
3 20 opportunities to students of the community college, private  
3 21 college, or university. Upon entering into such an agreement,  
3 22 the employer may apply to the department for financial  
3 23 assistance. An employer may receive financial assistance in  
3 24 an amount of one dollar for every one dollar spent by the  
3 25 employer. An employer shall not receive financial assistance  
3 26 of more than three thousand one hundred dollars per student.  
3 27 In order to be eligible to receive moneys under this section,  
3 28 the employer must have five hundred or fewer employees and  
3 29 must be engaged in an advanced manufacturing, bioscience, or  
3 30 information technology industry.

3 31 Sec. 5. NEW SECTION. 15.415 MATH AND SCIENCE EDUCATOR  
3 32 STIPENDS.

3 33 Each fiscal year, a public or private secondary school may  
3 34 apply to the department for a one hundred fifty dollar per day  
3 35 stipend, not to exceed seven hundred fifty dollars, to pay a  
4 1 teacher at the school for attending an educational workshop  
4 2 designed to enhance the ability of the teacher to incorporate  
4 3 math and science in the daily instruction of students.

4 4 Sec. 6. NEW SECTION. 15.416 RULES.

4 5 The board shall adopt rules pursuant to chapter 17A  
4 6 necessary for the administration of this part.

4 7 Sec. 7. Section 262B.22, Code 2007, is repealed.

4 8 Sec. 8. STATEWIDE SUPPLIER CAPACITY AND PRODUCT DATABASE.

4 9 The department of economic development shall contract with a  
4 10 third party to create a statewide supplier capacity and  
4 11 product database to assist the department in linking suppliers  
4 12 to Iowa-based advanced manufacturing companies. The  
4 13 department shall select the third party through a request for  
4 14 proposals process.

4 15 Sec. 9. CONTINGENT EFFECTIVE DATE. This Act shall take  
4 16 effect when moneys appropriated to the department of economic  
4 17 development are deposited in the targeted industries  
4 18 development fund. The department shall notify the Code editor  
4 19 regarding the date of the deposit.

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